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**SUBSTITUTE HOUSE BILL 1546**

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**State of Washington**

**62nd Legislature**

**2011 Regular Session**

**By** House Education (originally sponsored by Representatives Hargrove, Hunt, Dammeier, Pettigrew, Lias, Smith, Anderson, Fagan, Kretz, Dahlquist, Angel, Zeiger, Jinkins, and Finn)

READ FIRST TIME 02/17/11.

1       AN ACT Relating to authorizing creation of innovation schools and  
2 innovation zones in school districts; amending RCW 28A.305.140,  
3 28A.655.180, and 28A.400.200; adding new sections to chapter 28A.630  
4 RCW; creating a new section; and providing an expiration date.

5       BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6       NEW SECTION.   **Sec. 1.** (1) The legislature finds that:

7       (a) School district boards of directors should be encouraged to  
8 grant schools of the district maximum possible flexibility to meet the  
9 needs of students and the communities in which they live; and

10       (b) Particularly in schools and communities that are struggling to  
11 improve student academic outcomes and close the educational opportunity  
12 gap, there is a critical need for innovative models of public education  
13 that are tailored to the unique circumstances and needs of the students  
14 in those schools and communities.

15       (2) Therefore, the legislature intends to create a framework for  
16 change that includes:

17       (a) Leveraging community assets;

18       (b) Improving staff capacity and effectiveness;

19       (c) Developing family, school, and higher education partnerships;

1 (d) Implementing evidence-based practices proven to be effective in  
2 reducing demographic disparities in student achievement; and

3 (e) Enabling educators and parents of selected schools and school  
4 districts to restructure school operations and develop model school  
5 programs that will improve student performance.

6 NEW SECTION. **Sec. 2.** (1) The office of the superintendent of  
7 public instruction shall develop a process for school districts to  
8 apply to have one or more schools within the district designated as an  
9 innovation school. A group of schools that share common interests,  
10 such as geographical location or educational focus, or that  
11 sequentially serve classes of students as they progress through  
12 elementary and secondary grades may be designated as an innovation  
13 zone. An innovation zone may include all schools within a school  
14 district. Consortia of multiple districts may also apply for  
15 designation as an innovation zone, to include all schools within the  
16 participating districts.

17 (2) Applications requesting designation of innovation schools or  
18 innovation zones must be developed by the educators, parents, and  
19 communities of participating schools in collaboration with the school  
20 district administration. School districts must ensure that each school  
21 has substantial opportunity to participate in the development of the  
22 innovation plan under section 4 of this act.

23 (3) The office of the superintendent of public instruction shall  
24 develop common criteria for reviewing applications and for evaluating  
25 the need for waivers of state statutes and administrative rules as  
26 provided under section 5 of this act.

27 NEW SECTION. **Sec. 3.** (1) Initial applications to designate  
28 innovation schools and innovation zones must be submitted by school  
29 district boards of directors to their respective educational service  
30 districts by February 1, 2012, to be implemented beginning in the 2012-  
31 13 school year. Initial innovation plans must be able to be  
32 implemented without supplemental state funds.

33 (2) Each educational service district boards of directors shall  
34 review applications from within the district using the common criteria  
35 developed by the office of the superintendent of public instruction.  
36 Each educational service district shall recommend approval by the

1 office of the superintendent of public instruction of no more than  
2 three applications in each district. At least one of the recommended  
3 applications in each educational service district must propose an  
4 innovation zone, as long as the application meets the review criteria.

5 (3) The office of the superintendent of public instruction shall  
6 verify that the innovation plans of the applicants recommended by the  
7 educational service districts contain the required elements under  
8 section 4 of this act before approving the applications and designating  
9 the innovation schools and innovation zones.

10 (4) Initial designation of innovation schools and innovation zones  
11 under this section shall be for a six-year period, beginning in the  
12 2012-13 school year.

13 NEW SECTION. **Sec. 4.** (1) Each application for designation of an  
14 innovation school or innovation zone must include a proposed plan that:

15 (a) Defines the scope of the innovation school or innovation zone  
16 and describes why designation would enhance the ability of the school  
17 or schools to improvement student achievement and close the educational  
18 opportunity gap;

19 (b) Enumerates specific, research-based activities and innovations  
20 to be carried out under the designation;

21 (c) Justifies each request for waiver of state statutes or  
22 administrative rules as provided under section 5 of this act;

23 (d) Justifies any requests for waiver of state statutes or  
24 administrative rules that are in addition to the waivers authorized  
25 under section 5 of this act that are necessary to carry out the  
26 proposed innovations;

27 (e) Identifies the improvements in student achievement that are  
28 expected to be accomplished through the innovations;

29 (f) Includes budget plans and anticipated sources of funding,  
30 including private grants and contributions, if any;

31 (g) Identifies the technical resources desired, the potential costs  
32 of those resources, and the institutions of higher education,  
33 educational service districts, or consultants available to provide such  
34 services;

35 (h) Identifies the evaluation and accountability processes to be  
36 used to measure student and innovation school or innovation zone  
37 performance;

1 (i) Includes a written statement that school directors and  
2 administrators are willing to exempt the designated school or schools  
3 from specifically identified local rules, as needed;

4 (j) Includes a written statement that school directors and local  
5 bargaining agents will modify those portions of their local agreements  
6 as applicable for the designated school or schools;

7 (k) Includes written statements of support from the district's  
8 board of directors, the superintendent, the principal and staff of  
9 schools seeking designation, each local employee association affected  
10 by the proposal, the local parent organization, and statements of  
11 support, willingness to participate, or concerns from any interested  
12 parent, business, institution of higher education, or community  
13 organization; and

14 (l) Commits all parties to work cooperatively during the term of  
15 the pilot project.

16 (2) A plan to designate an innovation school or innovation zone  
17 must be approved by a majority of the staff assigned to the school or  
18 schools participating in the plan.

19 (3) An application for designation as an innovation school or  
20 innovation zone may include proposals for a performance-based system of  
21 staff evaluation and compensation that includes some or all of the  
22 following components:

23 (a) Peer reviews or evaluations;

24 (b) Student feedback;

25 (c) Video reviews;

26 (d) Evaluation by supervisors;

27 (e) Years of experience;

28 (f) Socioeconomic status of students; and

29 (g) Educational experience.

30 NEW SECTION. **Sec. 5.** (1)(a) The superintendent of public  
31 instruction and the state board of education, each within the scope of  
32 their statutory authority, may grant waivers of state statutes and  
33 administrative rules for designated innovation schools and innovation  
34 zones as follows:

35 (i) Waivers may be granted under RCW 28A.655.180 and 28A.305.140;

36 (ii) Waivers may be granted from the provisions of RCW 28A.400.200

1 regarding the statewide salary schedule and salary lid compliance  
2 requirements;

3 (iii) Waivers may be granted to permit the commingling of funds  
4 appropriated by the legislature on a categorical basis for such  
5 programs as, but not limited to, highly capable students, transitional  
6 bilingual instruction, and learning assistance; and

7 (iv) Waivers may be granted of other administrative rules that in  
8 the opinion of the superintendent of public instruction or the state  
9 board of education are necessary to be waived to implement an  
10 innovation school or innovation zone.

11 (b) State administrative rules dealing with public health, safety,  
12 and civil rights, including accessibility for individuals with  
13 disabilities, may not be waived.

14 (2) At the request of a school district, the superintendent of  
15 public instruction may petition the United States department of  
16 education or other federal agencies to waive federal regulations  
17 necessary to implement an innovation school or innovation zone.

18 (3) The state board of education may grant waivers for innovation  
19 schools or innovation zones of administrative rules pertaining to  
20 calculation of course credits for high school courses.

21 (4) Waivers may be granted under this section for a period not to  
22 exceed the duration of the designation of the innovation school or  
23 innovation zone.

24 (5) The superintendent of public instruction and the state board of  
25 education shall provide an expedited review of requests for waivers for  
26 designated innovation schools and innovation zones. Requests may be  
27 denied if the superintendent of public instruction or the state board  
28 of education conclude that the waiver:

29 (a) Is likely to result in a decrease in academic achievement in  
30 the innovation school or innovation zone;

31 (b) Would jeopardize the receipt of state or federal funds that a  
32 school district would otherwise be eligible to receive, unless the  
33 school district submits a written authorization for the waiver  
34 acknowledging that receipt of these funds could be jeopardized; or

35 (c) Would violate state or federal laws or rules that are not  
36 authorized to be waived.

1        NEW SECTION.    **Sec. 6.**    (1) A second round of applications for  
2 designation of innovation schools and innovation zones may be submitted  
3 by school district boards of directors to their respective educational  
4 service districts by November 1, 2013.

5        (2) In addition to the elements required under section 4 of this  
6 act, an innovation plan developed for the second round of applications  
7 may include requests for supplemental state funding to support  
8 activities such as extended instructional time, professional  
9 development time for staff, curriculum, materials, or additional staff  
10 resources.

11        (3) Applicants may include school districts with innovation schools  
12 or innovation zones designated under section 3 of this act, as well as  
13 other districts.    The office of the superintendent of public  
14 instruction shall develop an abbreviated application for school  
15 districts with designation under section 3 of this act.

16        (4) Each educational service district boards of directors shall  
17 review applications from within the district using the common criteria  
18 developed by the office of the superintendent of public instruction.  
19 Each educational service district shall recommend approval by the  
20 office of the superintendent of public instruction of no more than  
21 three applications in each district.    At least one of the recommended  
22 applications in each educational service district must propose an  
23 innovation zone, as long as the application meets the review criteria.

24        (5) The office of the superintendent of public instruction shall  
25 review the applications recommended by the educational service  
26 districts, select no more than ten innovation schools or innovation  
27 zones for designation, and submit a request to the legislature for  
28 supplemental state funding based on the applications.    The supplemental  
29 funding request must be submitted as a single decision package, to be  
30 considered as a whole by the legislature and not by each innovation  
31 school or innovation zone.

32        (6) Subject to funds appropriated for this purpose or available in  
33 the school innovation account under section 8 of this act, the office  
34 of the superintendent of public instruction shall, by July 1, 2014,  
35 award innovation grant funds to the selected innovation schools and  
36 innovation zones.

37        (7) Designation of innovation schools and innovation zones and

1 award of innovation grant funds under this section shall be for a six-  
2 year period if funds are available, beginning in the 2014-15 school  
3 year.

4 NEW SECTION. **Sec. 7.** (1) The office of the superintendent of  
5 public instruction shall report to the education committees of the  
6 legislature on the progress of the designated innovation schools and  
7 innovation zones by January 15, 2013, and January 15th of each odd-  
8 numbered year thereafter. The report must include recommendations for  
9 waiver of state laws and administrative rules in addition to the  
10 waivers authorized under section 5 of this act, as identified in  
11 innovation plans submitted by school districts.

12 (2) Each innovation school and innovation zone must submit an  
13 annual report to the office of the superintendent of public instruction  
14 on their progress as a condition of receipt of continued funding.

15 (3) The office of the superintendent of public instruction, through  
16 the center for the improvement of student learning, must collect and  
17 disseminate to all school districts and other interested parties  
18 information about the innovation schools and innovation zones.

19 NEW SECTION. **Sec. 8.** (1) The superintendent of public instruction  
20 may accept, receive, and administer such gifts, grants, and  
21 contributions as may be provided from public and private sources for  
22 the purposes of sections 2 through 7 of this act.

23 (2) The school innovation account is established in the custody of  
24 the state treasurer. The superintendent of public instruction shall  
25 deposit in the account all moneys received under this section. Moneys  
26 in the account may be spent only for the purposes of sections 2 through  
27 7 of this act. Only the superintendent of public instruction or the  
28 superintendent's designee may authorize expenditures from the account.  
29 The account is subject to the allotment procedures provided under  
30 chapter 43.88 RCW, but an appropriation is not required for  
31 expenditures.

32 **Sec. 9.** RCW 28A.305.140 and 1990 c 33 s 267 are each amended to  
33 read as follows:

34 (1) The state board of education may grant waivers to school

1 districts from the provisions of RCW 28A.150.200 through 28A.150.220 on  
2 the basis that such waiver or waivers are necessary to:

3 (a) Implement successfully a local plan to provide for all students  
4 in the district an effective education system that is designed to  
5 enhance the educational program for each student. The local plan may  
6 include alternative ways to provide effective educational programs for  
7 students who experience difficulty with the regular education program;  
8 or

9 (b) Implement an innovation school or innovation zone designated  
10 under section 3 or 6 of this act.

11 (2) The state board shall adopt criteria to evaluate the need for  
12 the waiver or waivers.

13 **Sec. 10.** RCW 28A.655.180 and 2009 c 543 s 3 are each amended to  
14 read as follows:

15 (1) The state board of education, where appropriate, or the  
16 superintendent of public instruction, where appropriate, may grant  
17 waivers to districts from the provisions of statutes or rules relating  
18 to: The length of the school year; student-to-teacher ratios; and  
19 other administrative rules that in the opinion of the state board of  
20 education or the opinion of the superintendent of public instruction  
21 may need to be waived in order for a district to implement a plan for  
22 restructuring its educational program or the educational program of  
23 individual schools within the district or to implement an innovation  
24 school or innovation zone designated under section 3 or 6 of this act.

25 (2) School districts may use the application process in RCW  
26 28A.305.140 to apply for the waivers under this section.

27 **Sec. 11.** RCW 28A.400.200 and 2010 c 235 s 401 are each amended to  
28 read as follows:

29 (1) Every school district board of directors shall fix, alter,  
30 allow, and order paid salaries and compensation for all district  
31 employees in conformance with this section.

32 (2)(a) Salaries for certificated instructional staff shall not be  
33 less than the salary provided in the appropriations act in the  
34 statewide salary allocation schedule for an employee with a  
35 baccalaureate degree and zero years of service; and



1 (b) Salaries for certificated instructional staff with a master's  
2 degree shall not be less than the salary provided in the appropriations  
3 act in the statewide salary allocation schedule for an employee with a  
4 master's degree and zero years of service.

5 (3)(a) The actual average salary paid to certificated instructional  
6 staff shall not exceed the district's average certificated  
7 instructional staff salary used for the state basic education  
8 allocations for that school year as determined pursuant to RCW  
9 28A.150.410.

10 (b) Fringe benefit contributions for certificated instructional  
11 staff shall be included as salary under (a) of this subsection only to  
12 the extent that the district's actual average benefit contribution  
13 exceeds the amount of the insurance benefits allocation provided per  
14 certificated instructional staff unit in the state operating  
15 appropriations act in effect at the time the compensation is payable.  
16 For purposes of this section, fringe benefits shall not include payment  
17 for unused leave for illness or injury under RCW 28A.400.210; employer  
18 contributions for old age survivors insurance, workers' compensation,  
19 unemployment compensation, and retirement benefits under the Washington  
20 state retirement system; or employer contributions for health benefits  
21 in excess of the insurance benefits allocation provided per  
22 certificated instructional staff unit in the state operating  
23 appropriations act in effect at the time the compensation is payable.  
24 A school district may not use state funds to provide employer  
25 contributions for such excess health benefits.

26 (c) Salary and benefits for certificated instructional staff in  
27 programs other than basic education shall be consistent with the salary  
28 and benefits paid to certificated instructional staff in the basic  
29 education program.

30 (4) Salaries and benefits for certificated instructional staff may  
31 exceed the limitations in subsection (3) of this section only by  
32 separate contract for additional time, for additional responsibilities,  
33 for incentives, or for implementing specific measurable innovative  
34 activities, including professional development, specified by the school  
35 district to: (a) Close one or more achievement gaps, (b) focus on  
36 development of science, technology, engineering, and mathematics (STEM)  
37 learning opportunities, or (c) provide arts education. Beginning  
38 September 1, 2011, school districts shall annually provide a brief

1 description of the innovative activities included in any supplemental  
2 contract to the office of the superintendent of public instruction.  
3 The office of the superintendent of public instruction shall summarize  
4 the district information and submit an annual report to the education  
5 committees of the house of representatives and the senate.  
6 Supplemental contracts shall not cause the state to incur any present  
7 or future funding obligation. Supplemental contracts shall be subject  
8 to the collective bargaining provisions of chapter 41.59 RCW and the  
9 provisions of RCW 28A.405.240, shall not exceed one year, and if not  
10 renewed shall not constitute adverse change in accordance with RCW  
11 28A.405.300 through 28A.405.380. No district may enter into a  
12 supplemental contract under this subsection for the provision of  
13 services which are a part of the basic education program required by  
14 Article IX, section 3 of the state Constitution.

15 (5) Employee benefit plans offered by any district shall comply  
16 with RCW 28A.400.350 (~~and~~), 28A.400.275, and 28A.400.280.

17 (6) The superintendent of public instruction may waive the  
18 requirements of this section for an innovation school or innovation  
19 zone designated under section 3 or 6 of this act.

20 NEW SECTION. Sec. 12. Sections 2 through 8 of this act are each  
21 added to chapter 28A.630 RCW.

22 NEW SECTION. Sec. 13. This act expires June 30, 2021.

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